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Southwestern Bell Telephone

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FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

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March 18, 1993

Richard C. Hartgrove General Attorney

Mr. Michael W. Bennett Director-Federal Regulatory Southwestern Bell Corporation 1667 K Street, N.W., Suite 1000 Washington, D.C. 20006

Dear Michael:

Reply of Southwestern Bell Telephone Company, CC Docket No. 92-77, Phase I

Enclosed please find an original and five (5) copies of the above-referenced pleading to be filed with the Secretary of the Commission on Friday, March 19, 1993. Also enclosed is a copy of the pleading to be filed-stamped and returned to me.

Additional copies of the pleading are attached to be used as the courtesy copies and one is included for your files.

Please call to confirm that the pleading has been filed. Thank you for your assistance.

Very truly yours,

(Richard C. Hartgare

Enclosure

Room 3520 St. Louis, Missouri 63101

CC: Mr. Blase

Phone 314 235-2506

One Bell Center

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BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

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FEDERAL CUMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

| In the Matter of |) | | |
|-------------------------|-----|---------------|-------|
| |) | | |
| Billed Party Preference | ∋) | CC Docket No. | 92-77 |
| for 0+ InterLATA Calls |) | Phase I | |

REPLY OF SOUTHWESTERN BELL TELEPHONE COMPANY

Southwestern Bell Telephone Company (SWBT) submits this Reply in response to AT&T's Opposition to the Petition for Reconsideration (PFR) filed by SWBT in the above-referenced proceeding. In the PFR, SWBT again requested the Commission to require AT&T to explain to its calling card holders that local and intraLATA calls can be completed on a 0+ basis (1) whether or not a particular phone is presubscribed to AT&T, and (2) whether customers hear the announcement of a Local Exchange Carrier (LEC) or AT&T.

AT&T argues that SWBT's requested relief is unnecessary. SWBT does not agree. For the reasons cited below, the Commission should reject the Opposition of AT&T and grant the PFR of SWBT.

I. THE COMMISSION'S PRESENT INSTRUCTIONS CREATE POTENTIAL BARRIERS TO BUSINESS RELATIONSHIPS WHICH OPTIMIZE CUSTOMER CONVENIENCE.

The Commission has previously found that AT&T erred in its representations to customers that "government regulations" required it to introduce a new, proprietary calling card . In

¹ AT&T Opposition, pp 13-14.

² Report and Order, CC Docket No. 92-77, Phase I, released November 6, 1992.

response to these and other card practices of AT&T, the Commission admonished AT&T by letter and required AT&T by order to modify its instructions to cardholders and to make its 800 number more convenient to use.³

If the Commission does not modify the instructions which AT&T must provide its cardholders, a large percentage of those cardholders will not receive the most convenient and technically correct information.⁴ And AT&T will once again be able to claim that the information which consumers do receive has been required by "government regulations."

Though AT&T claims that this matter should be negotiated by the parties, SWBT believes the Commission's present instructions provide a convenient and artificial means for AT&T to avoid good faith negotiations. The Commission should therefore grant SWBT's PFR and require AT&T to modify its consumer education materials to recognize that "0+" calling capabilities for local service area calls are available with AT&T calling cards.

 $^{^{3}}$ Id.

 $^{^{4}}$ 38% of SWBT's 1992 calling card calls were billed to AT&T cards.

⁵ AT&T Opposition, p. 13.

II. THE COMMISSION HAS JURISDICTION TO REQUIRE AT&T TO GIVE SWBT'S REQUESTED INSTRUCTIONS.

AT&T claims that SWBT's PFR "relate[s] solely to competition for *intrastate* calls [emphasis supplied]," and thus is beyond the Commission's jurisdiction. This claim is incorrect. In each of its service areas, SWBT provides interstate intraLATA service for alternately billed calls. For example, approximately



year with access codes and without the convenient use of "0+". The Commission's present instructions will also create confusion for customers who receive conflicting information from SWBT service personnel in response to questions about use of AT&T cards on SWBT's network. Additionally, if there is no modification of the instructions which AT&T is presently required to give its card holders, there is a very real possibility that LECs will decide to no longer accept AT&T calling cards, a service customers have received from LECs for years. For these public interest reasons, the Commission should grant SWBT's PFR.

IV. CONCLUSION.

For the numerous public interest and competitive reasons cited above and in SWBT's previous filings, the Commission should grant SWBT's PFR and require AT&T to notify customers that they may complete calls using AT&T proprietary cards whenever they hear an

⁷ Based on SWBT's experience, this could amount to approximately 285 million calls nationally each year.

announcement identifying either AT&T or a LEC as the carrier handling the call.

Respectfully submitted,

SOUTHWESTERN BELL TELEPHONE COMPANY

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March 19, 1993

CERTIFICATE OF SERVICE

I, Liz Jensen, hereby certify that the foregoing
Reply of Southwestern Bell Telephone Company in Docket 9277, Phase I, has been served this 19th day of March, 1993 to
the Parties of Record.

Ly Jensen

Liz Jensen

March 19, 1993

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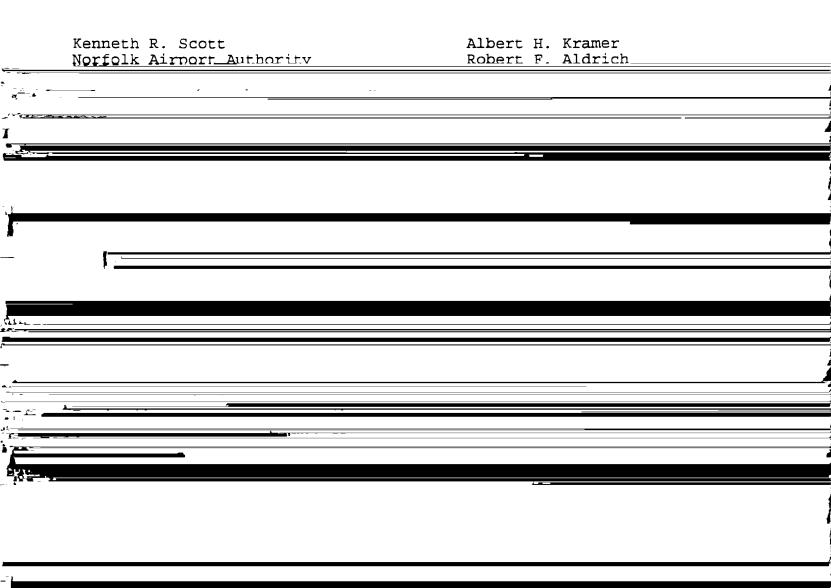
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